
Goal: GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS

Desired Community Condition(s)

Financial assets are maximized and protected, and analyzed and reported accurately, understandably, and usefully.

Program Strategy: TREASURY

25510

Collect, secure, record, and leverage City income.

Department: FINANCE AND ADMINISTRATIVE SERVICES

Service Activities

Treasury Services

Licensing and Enforcement

Strategy Purpose and Description

By properly recording and controlling City funds, assuring appropriate accountability for cash handling in all City operations, maximizing the timely collection of accounts receivable, maximizing return on investable cash consistent with the City's investment policy, minimizing costs and maintaining the flexibility of the City's capital financing program, and by administering assigned City ordinances, Treasury maximizes the availability of funds available to support City programs and also provides enforcement for APD and the Planning Department functions thereby enhancing the general welfare of those in the community.

Changes and Key Initiatives

In order to reduce bad check losses and to effectively leverage dwindling resources, Treasury has implemented an electronic check representment (RCK) process for lock box receipts that will allow the city to recover funds from individual accounts with priority ACH debits. Home banking, PC based electronic payment applications, including transactions made on the City's web site should be expanded. The Bank of America Customer Input (Internet) Payment product will be available in FY 03. This will enable customers to pay their water bills at the City's web site. Other applications are expected to follow once the pilot application is working smoothly.

The business registration and licensing receivables system (Envision) became operational in FY 03. It's structure facilitated the consolidation of files for various business licensing & regulation activities such as business registration, food inspections, liquor, and Lodgers Tax that have, here to for, been maintained on independent data bases. One bill per address is being generated for the first time. Additionally, billings for HAZMAT, planning and zoning could be added.

Produce the City's Annual Information Statement, which is a document prepared to meet the requirements of the Securities Exchange Commission Rule 15(c)2-12 that requires all municipal bond issuers to provide bond holders with the information required to evaluate the ongoing risks of holding the city's bonds issued in prior periods.

Priority Objectives

Input Measure (\$000's)

2001	110	110 GENERAL FUND	1,103
2002	110	110 GENERAL FUND	1,103
2003	110	110 GENERAL FUND	1,293
2004	110	110 GENERAL FUND	1,331
2005	110	110 GENERAL FUND	1,358

Strategy Outcome	Measure	Year	Project	Mid Year	Actual	Notes
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Maximize financial resources available for operations and capital expenditures by the timely collection of accounts receivable, maximization of return on investmable cash consistent with the City's investment policy, and the minimization of costs of the City's debt	<i>Investment Income plus debt service savings</i>	2001		\$39,800,00
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		2002		\$37,000,00
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Maximize financial resources available for operations and capital expenditures by the timely collection of accounts receivable, maximization of return on investable cash consistent with the City's investment policy, and the minimization of costs of the City's debt		2003		\$28,000,00
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		2004	\$10,000,000	\$4,896,254
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		2005	\$10,000,000	
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Goal: **GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS**

Parent Program Strategy: TREASURY

Department: **FINANCE AND ADMINISTRATIVE SERVICES**

Service Activity: Treasury Services

2581000

Service Activity Purpose and Description

Services include: Cash management & recording, audit & collections, and bonds & investments.

Primary beneficiaries: All City operations

Customer conditions: Longer lines and increased telephonic account inquiries and complaints are to be expected because of reduced resources.

Conditions addressed: In short, Treasury is responsible for the integrity of the revenue side of the General Ledger.

Changes and Key Initiatives

In order to reduce bad check losses and to efficiently leverage dwindling resources, Treasury has implemented electronic check representment(RCK)for water bills processed by the city's lock box bank that allows the city to recover funds from individual accounts with priority ACH debits. Home banking, PC based electronic payment applications, including transactions made on the City's web site are being implemented. The first application using a proprietary product of the city's fiscal agent bank known as "Customer Input Payments" or CIP should be on line in February 2003. Additional applications will be developed as resources permit.

Additionally, the business registration and licensing receivables system (Envision) became operational in January 2003. Consolidated files for various business licensing & regulation activities such as business registration, food inspections, liquor, and Lodgers Tax that have, here to for, been maintained on independent data bases now make it possible to issue one bill per address for the first time. HAZMAT, planning and zoning permits could be added by FY04.

Treasury also recommends the adoption of a policy of charging liquor license fees to licenses in suspense, which is permissible. This would pick up about \$10,000/Yr. and help keep better track of the licenses in transition.

Finally, growth in Lodgers Tax revenue has been below 3% since 9/11. This poses serious problems for the general fund by FY04 when minimum debt service requirements could exceed available Lodgers Tax revenue by about \$700,000. This deficit could grow to over \$1,000,000 by FY08, depending upon interest rate levels. The current debt service repayment scheduled was structured to require a minimum Lodgers Tax revenue growth rate of only 3% per year compared to historic growth rates of more than 6% per year. But, even if the revenue growth rate returned to 3% in the near future, the shortfall will not be resolved because of the delayed growth in the revenue base. Underwriting proposals to assist in the development of a long term debt service management plan are currently being evaluated along with proposals for a convention center management contractor. So, it may be possible to have a financial management plan for the convention center before FY04.

Input Measure (\$000's)

2002	110	110 GENERAL FUND	1,103
2003	110	110 GENERAL FUND	1,068
2004	110	110 GENERAL FUND	1,047
2005	110	110 GENERAL FUND	1,106

Strategic Accomplishments

Produce the Annual Information Statement, which is a document prepared to meet the requirements of the Securities Exchange Commission Rule 15(c)2-12 that requires all municipal bond issuers to provide bond holders with the information required to evaluate the ongoing risks of holding the city's bonds issued in prior periods.

Update the Investor Information page on the City's web site. Developed in 2002, the page provides stakeholders and interested parties with links to debt and investment policies and procedures as well as current and historical information on major revenue sources.

Produce the Annual Investment Report (AIR), which provides information on the condition and profitability of the City's investment portfolio and publish the document on the City's website.

<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Bonds Issued	2001			100,000,00	
	2002	120,000,00			
Bonds Issued					

Bonds Issued	2003	77,000,000		
	2004	\$150,000,000	\$15,000,000	
	2005	\$150,000,000		

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Investment Income	2001			26,500,000	
	2002	27,000,000			
Investment Income					
Investment Income	2003	21,000,000			While interest income has fallen with interest rates & lower portfolio balances due to limited recent bond sales, DFAS' expectation is that we will out perform our one year T-bill benchmark by 25bp.
	2004	\$10,000,000	\$4,896,254		While interest income has fallen with interest rates & lower portfolio balances due to limited recent bond sales, DFAS' expectation is that we will out perform our one year T-bill benchmark by 25bp.
	2005	\$10,000,000			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
No. of Teller Transactions	2001			128,040	
	2002	140,000			
No. of Teller Transactions					
No. of Teller Transactions	2003	144,000			
	2004	144,000	65,525		
	2005	144,000			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Savings From Refunded Bonds & Early Redemptions	2001			10,300,000	
	2002	10,000,000			
Savings From Refunded Bonds & Early Redemptions					
Savings From Refunded Bonds & Early Redemptions	2003	7,000,000			
	2004	\$7,000,000	\$11,500,00		
	2005	\$7,000,000			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Bond Transactions/Yr.	2003	Nine			Bond issues generally take about 4 months to complete, if they are straight forward.
	2004	Nine	Three		Bond issues generally take about 4 months to complete, if they are straight forward.
	2005	Nine			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Audit Exceptions	2001			0	
	2002	0			
Audit Exceptions/Year	2003	0			
	2004	0	1		
	2005	0			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
GO Bond Rating	2001				AA/A a w/ Positive Outloo9k
	2002	see notes			AA/A a w/ Positive Outloo9k
	2003	see notes			AA/Aa w/ + Outlook
	2004	see notes			AA/Aa w/ + Outlook
	2005	see notes			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Investment Return vs. Benchmark	2001			.20	
Investment Return vs. Benchmark	2002	.30			
	2003	25bp			
	2004	+25bp	+50bp		
	2005	+25bp			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Transactions/Minute	2001			2/2.5 min	
Number of Transactions/Minute	2002	2/2 Min			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Receivables over 90 days < 10% of total receivables*	2003	10%			* Excludes grants and receivables not worked by Treasury, ie, Airport, Water, and Police receivables

2004 10% 25%

*Almost half of the 12/31/02
receivables over 90 days were
attributable to Bernalillo County.
Data excludes grants and
receivables not worked by
Treasury, ie. Grants, Airport,
Water, and Police receivables*

2005 10%

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Total receivables	2003	\$5,000,000			
	2004	\$5,000,000	\$7,741,696		
	2005	\$5,000,000			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Transactions/Teller/Day	2003	111			
	2004	111	111		
	2005	111			

Goal: **GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS**

Parent Program Strategy: TREASURY

Department: **FINANCE AND ADMINISTRATIVE SERVICES**

Service Activity: Licensing and Enforcement

2582000

Service Activity Purpose and Description

Services include: providing administrative support for APD and the Planning Department functions□□

Primary Beneficiaries

APD: Pawn Broker, Professional Fund Raisers, Distress Sales & Jewelry, Auction Ordinances

Zoning Enforcement: Business Registration, Solicitations & Liquor License Ordinances

Customer conditions: To be determined.

Conditions addressed: Compliance enforcement.

Changes and Key Initiatives

The public would be better served if APD were on point for the related ordinances because of their law enforcement objectives.

As for the Planning ordinances, zoning enforcement has succeeded in preventing any business from being registered unless zoning enforcement first approves its location. Similarly regulations promulgated by Zoning regulate door to door and Old Town solicitations and the location of liquor outlets are covered by the ordinances enumerated above.

Enforcement of these ordinances should be reassigned to the organizations where the legal authority and expertise to enforce them resides. Treasury would continue to process the fees.

Input Measure (\$000's)

2002	110	110 GENERAL FUND	310
2003	110	110 GENERAL FUND	225
2004	110	110 GENERAL FUND	284
2005	110	110 GENERAL FUND	252

Strategic Accomplishments

Expanded implementation of Envision (business licensing and permitting) receivables system.

<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Business Registration Fees, the City would register about 7,500 new businesses each year.	2001				
	2002	1,185,600			
	2003	1,200,000			
	2004	\$1,200,000	\$374,954		
	2005	\$1,200,000			
<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Liquor Tax and Pawn	2001				liquor tax \$162,000
					pawn \$2,500
	2002	see notes			liquor tax \$162,000
					pawn \$2,500

Liquor Tax and Misc.	2003	see notes			liquor tax \$172,000 Misc. \$27,000
	2004	see notes	\$169,800		liquor tax \$172,000 Misc. \$27,000
	2005	see notes			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Value of Health Fees	2001				
	2002	363,120			
Value of Health Fees	2003	1,300,000			Projected revenues assume adoption of fee increases proposed in FY/03 budget.
	2004	\$1,300,000	\$159,400		Projected revenues assume adoption of fee increases proposed in FY/03 budget.
	2005	\$1,300,000			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Value of Building Inspection Fees	2001				
	2002	\$5,760,000			
Value of Building Inspection Fees	2003	\$6,555,000			Projected revenue assumes adoption of proposed fee increase in FY/03 budget
	2004	\$6,555,000	\$4,429,800		Projected revenue assumes adoption of proposed fee increase in FY/03 budget
	2005	\$6,555,000			